Tucson Mayor Rothschild
Tucson City Council Members

#### Via E-mail

Dear Mayor Rothschild and Tucson City Council Members,

On behalf of the Arizona Retailers Association, I am writing to express our opposition to the proposed ordinance on earned sick and safe paid leave. This mandate eliminates the flexibility necessary for businesses to make decisions that benefit their employees. The perfect example was given to me by one of my independent retailers. He was hit hard during the recession and went to his employees to determine how they wanted to address the problem – the options were to keep everyone currently employed and suspend benefits until sales rebounded or to eliminate some employees and keep the benefits in place. The employees each determined that they wanted to keep everyone and suspend benefits. The flexibility to make that decision kept jobs in place – removing that option would have resulted in job losses.

Retailers face competition for good employees as well as consumers. Employee turnover is costly and as an industry we want to keep good employees – for business reasons as well as for good morale in the work environment, for that reason most retail employers offer paid time off.

There is a cost to doing business but there is always a result of that cost and it can be jobs or increased cost of goods placed on residents, tourists, and students – at this time, and particularly in Tucson, placing additional costs on residents is not the right approach.

The retail industry contributes substantially to Tucson's economy and the industry will be negatively impacted by this measure. A healthy economic environment is the best foundation for employers, employees, residents and consumers - mandating benefit packages is not conducive to economic growth and development.

Some facilities exist within the City of Tucson that are retail operations not open to the public that are significant employment bases. These particular facilities have invested in Tucson but they do not have to be in Tucson because they are not based on consumer traffic – but they will be negatively impacted and are already considering reduction in workforce or relocation if this ordinance is adopted.

We strongly urge you to oppose this draft proposal and stand up for business in Tucson.

Thank you for your consideration of our concerns.

Sincerely,

Michelle Ahlmer

**Executive Director** 

From:

Dino Chonis <dinoazzip@yahoo.com> <econdev@tucsonaz.gov> 1/21/2016 10:31 AM To: Date: Subject: Sick time, No No No!!!!

Sent from my iPhone

## econdey - Earned Sick and Safe Time

From: Aliaa Abdel-Gawad <aliaakag@gmail.com>

To: <econdev@tucsonaz.gov> Date: 1/13/2016 11:37 AM **Subject:** Earned Sick and Safe Time

I am emailing in support of earned sick and safe time for employers within the city limits. I work for Convergys, and over all, I have no complaints, except for the lack of sick time.

Currently, I am home sick; however, it was not an easy decision due to budget. I had to weigh if I was contagious (no longer bacterial contagious, yet I am viral - it is an upper respiratory infection), along with comfort.

Because there is no sick time for agents on the phone (I believe there is for staff and salary), and there are points assigned for days missed (although with a provider's note, that will be rolled into one point), many people choose to come to work when they are sick. Points are important because when a person earns 12 in a year, they are terminated. And when they are sick, they infect others. I understand there is a cost for employers, when there is sick time (after all, that is why many, including Convergys, do not offer it). On the other hand, I really wish they would consider the cost to the employee. It surprises me that their preference is that I am at work, taking calls, when I am infecting co-workers. When I am miserable, I am not performing at 100%. The better decision for all is if there is not a budget and attendance mark, if one is sick.

In closing, I thank you for reading, and allowing me to contribute my opinion. Based on my current illness, it appears I will be gone from work from Monday the 11th (that was a half day), and returning next Monday (the 18th), if I don't feel better. Indeed, that is quite the budget hit, and sick time would allow me to not feel - yikes about my decision; however, I know it is the correct decision for my well being and public health purposes.

Warm regards,

Ms. Aliaa Kathleen Abdel-Gawad

## econdev - Addendum/Wish to Add Re: Earned Sick and Safe Time

From: Aliaa Abdel-Gawad <aliaakag@gmail.com>
To: econdev econdev econdev@tucsonaz.gov>

**Date:** 1/13/2016 4:08 PM

Subject: Addendum/Wish to Add Re: Earned Sick and Safe Time

Hello,

Thank you for your reply! I wish to mention (can I blame my high fever that I forgot? :D ) that if employers feel that there should be a shared responsibility (i.e., in a way that health insurance is, or STD, or LTD), versus earned (PTO), then that is something that should be considered/placed on the table.

Regardless if earned or shared responsibility, sick and safe time definitely needs to exist!

Warm regards,

Ms. Aliaa Abdel-Gawad

On Wed, Jan 13, 2016 at 1:33 PM, econdev econdev <econdev@tucsonaz.gov> wrote:

Dear Ms. Abdel-Gawad.

Thank you for submitting your email comments on this issue. They will be compiled and presented to Mayor and Council for their consideration.

Sincerely,

Economic Initiatives Team City Manager's Office City of Tucson

>>> Aliaa Abdel-Gawad <<u>aliaakag@gmail.com</u>> 1/13/2016 11:36 AM >>>

I am emailing in support of earned sick and safe time for employers within the city limits. I work for Convergys, and over all, I have no complaints, except for the lack of sick time.

Currently, I am home sick; however, it was not an easy decision due to budget. I had to weigh if I was contagious (no longer bacterial contagious, yet I am viral - it is an upper respiratory infection), along with comfort.

Because there is no sick time for agents on the phone (I believe there is for staff and salary), and there are points assigned for days missed (although with a provider's note, that will be rolled into one point), many people choose to come to work when they are sick. Points are important because when a person earns 12 in a year, they are terminated. And when they are sick, they infect others. I understand there is a cost for employers, when there is sick time (after all, that is why many, including Convergys, do not offer it). On the other hand, I really wish they would consider the cost to the employee. It surprises me that their preference is that I am at work, taking calls, when I am infecting co-workers. When I am miserable, I am not performing at 100%. The better decision for all is if there is not a budget and attendance mark, if one is sick.

In closing, I thank you for reading, and allowing me to contribute my opinion. Based on my current illness, it appears I will be gone from work from Monday the 11th (that was a half day), and returning next Monday (the 18th), if I don't feel better. Indeed, that is quite the budget hit, and sick time would allow me to not feel - yikes about my decision; however, I know it is the correct decision for my well being and public health purposes.

Warm regards,

Ms. Aliaa Kathleen Abdel-Gawad

#### econdey - Earned Sick and Safe Time

From: Adam Bliss <Adam@RAHsouthernAZ.com>

**To:** "econdev@tucsonaz.gov" <econdev@tucsonaz.gov>

**Date:** 1/29/2016 4:42 PM

**Subject:** Earned Sick and Safe Time

**Cc:** Karen Kochhar <karen@RAHTucson.com>, Kola Bliss

<Kola@RAHsouthernAZ.com>

Dear Mayor Rothschild and Councilmembers -

I am writing to express my opposition to mandating paid sick leave in the City of Tucson. As a small business owner, such an ordinance would be financially and operationally catastrophic in terms of its effect upon my business. Without question, I would relocate my business outside the City limits were this to ordinance to pass. Such an ordinance is a clear signal from the City Council that it is not "business-friendly" and does not appreciate the contribution small businesses, especially those of a service nature, make to the people and economy of Tucson.

Specifically, I oppose mandating paid sick leave because:

- Our City's small business' opinion was not considered and we were not invited to participate in the discussion prior to the Study Session where Councilwoman Romero presented the concept.
- This discussion on mandating paid sick leave has created discord in the community, and will wreak financial havoc.
- I support the Governor's concern that cities that take individual action create a "patchwork" of different employer mandates across the state.

Furthermore, by way of sound logical reasoning and economic good sense, this is a bad proposal for the following reasons:

- The cost to employers will be beyond affordability, meaning they will either need to hire additional staff to cover for the "free for all" PTO that the unskilled labor force will take undue advantage of-which means employers will be paying twice as much for every hour of sick time utilized. This will only exacerbate the financial challenges. Employers may also not be able to appropriately provide services to their customers in a quality and timely manner, thus threatening the economic potential of our city.
- Small business employers like my company already have flexible policies and practices in place to
  ensure part-time employees get time off for medical and family emergencies, and even nonemergency matters. To require pay for time not worked and effort not expended is ludicrous.

It is my strong opinion that the City Council should focus on the most pressing issue at hand: Tucson's looming financial deficit.

Sincerely,

## **ADAM L. BLISS**

Owner | Right at Home of Southern Arizona



7469 E Broadway Blvd | Suite B | Tucson, AZ 85710 210 W Continental Road | Suite 216A | Green Valley, AZ 85622

tel <u>520.777.4175</u> | fax <u>520.844.1198</u> | mob <u>952.607.5906</u>

## website | newsletter | email

Confidentiality Note: This e-mail and any attachments are confidential and may be protected by legal privilege. If you are not the intended recipient, be aware that any disclosure, copying, distribution or use of this e-mail or any attachment is prohibited. If you have received this e-mail in error, please notify us immediately by returning it to the sender and delete this copy from your system. Thank you for your cooperation.

## econdev

**From:** pg5204@hotmail.com <pg5204@hotmail.com> To: econdev@tucsonaz.gov <econdev@tucsonaz.gov>

Date: 1/13/2016 10:35 AM

In regards to sick leave for workers:

All workers should have sick time. Research shows that productivity and morale are increased at businesses that offer sick leave. That means the chambers argument is fundamentally flawed.

I work at the Red Cross. I have no sick leave. If I miss work for illness or injury I am assessed two points a day. 13 points is termination. A three day illness means I am halfway to termination.

This policy forces me and my coworkers to come in sick. This is bad for employees and the company, but it is the corporate culture that persists regardless of facts.

Please help people without power to better take care of themselves in this regressive atmosphere.

Thank you.

Sent from my Verizon 4G LTE Tablet

# econdev - Earned Sick and Safe Time

From: Anthony Aeilts

To: econdev@tucsonaz.gov

Date: 1/14/2016 9:31 AM

Subject: Earned Sick and Safe Time

The city should be *encouraging* business in Tucson instead of chasing them away. This is a huge disincentive for businesses who may want to locate here and a huge incentive for businesses that are already here, to move away. The city has huge financial problems and this will only serve to make it worse. This is not a good idea whatsoever. Thank you.

From: Staff <azstatewideparalegal@yahoo.com>

To: <econdev@tucsonaz.gov>

**Date:** 1/13/2016 6:19 PM

**Subject:** Earned sick and safe time

I oppose this as it promotes abuse and cripples businesses who rely on their personnel to work in order to bring in the money that we use for payroll. Employers hire employees to work in the business in exchange for their salary. We are not responsible for supporting them when they are sick. I would rather be required to give them paid vacation days instead. I would happily encourage them to take vacation. This would in turn encourage employees to take care of themselves instead of calling in when they don't feel like working or calling in when all they have is a headache. I already have employees who smoke and then get themselves sick from coughing and I'm supposed to pay them when they got themselves sick?? So wrong.

Sent from my iPhone

## econdev - Tucson sick time

**From:** "Rizzo, Karen" < krizzo@bayada.com>

**To:** "econdev@tucsonaz.gov" <econdev@tucsonaz.gov>

**Date:** 2/1/2016 6:09 PM **Subject:** Tucson sick time

This is difficult for businesses, who work primarily with per diem, as available staff. We at Bayada provide 5 days paid PTO if someone works 2000 hours in a year, and prorated after that. I don't think our private pay elderly are ready to absorb the increased costs of this requirement. Thanks, Karen Rizzo Bayada Home Health Care

## Karen Rizzo RN, MS

BAYADA Home Health Care | Home Care Division Director Arizona.

7070 N. Oracle Rd. Suite 260 | Tucson, AZ 85704

Ext. 046410; Office 520-531-0020 | Direct line: 520-229-3217 | krizzo@bayada.com | www.bayada.com



Compassion. Excellence. Reliability.



**CONFIDENTIALITY NOTICE:** This email may contain information belonging to BAYADA and is protected by law. Do not forward, copy, or otherwise disclose to anyone unless permitted by BAYADA or required by law. If you are not the intended recipient, please notify the sender immediately.

# econdev - Earned Sick and Safe Time

From: Shay Salomon < shaysalomonleonard@gmail.com>

**To:** <econdev@tucsonaz.gov> **Date:** 1/13/2016 8:42 AM

Subject: Earned Sick and Safe Time

I have been an employer. Paying for five sick days per employee per year isn't too much of a burden for a well-run business.

## econdev - RE: Earned Sick and Safe Leave

**From:** Gabriela Cervantes <gabriela\_cervant@hotmail.com> **To:** "econdev@tucsonaz.gov" <econdev@tucsonaz.gov>

**Date:** 1/28/2016 12:19 PM

**Subject:** RE: Earned Sick and Safe Leave

Hi, I'm resending this because I forgot to include my name. Thank you!

Gabriela Cervantes
Tucson Metro Chamber, Emerging Leaders Council

From: gabriela\_cervant@hotmail.com

To: econdev@tucsonaz.gov

Subject: Earned Sick and Safe Leave Date: Wed, 27 Jan 2016 21:37:10 -0700

Dear City Council and Stakeholders,

Whenever I tell people that I don't have sick days, they usually ask, "Is that legal?" Yes, it's legal. Yes, the U.S. is the only industrial nation in the world -- aside from Papua New Guinea -- without guaranteed paid leave. I don't tell people I don't have sick days to be disrespectful of my present employer, but I say this to you because I work for a successful, profitable company with over 100 employees, and there's a misunderstanding that only tiny companies in Tucson don't have sick days, and that a paid sick leave ordinance would hardly impact anyone. That's not true.

In Arizona, 82% of employees working less than 35 hours a week and 74% of employees making \$15,000 a year or less don't have access to sick time. For many employees, access to sick time is the difference between obtaining medical care and earning enough money to survive. A survey of women living in poverty indicated that 90% of respondents say that paid sick days are the #1 policy to would give them a leg up, ahead of wages and other benefits.

Since the 1980s, the median wage for the average worker has increased around 30 times, while that of CEOs and business owners has increased by 500 times. However, you never hear business owners say that their own salaries and wages have grown so much that they'll have to shut down their businesses and lay off employees. Nevertheless, it's all too quick whenever any employee-related expense increases.

There are countless benefits to society and to businesses, especially small businesses, that provide paid sick days for their employees. Paid sick time reinforces the idea of caregiving and taking care of oneself as a value and norm. Businesses with paid sick time experience higher retention rates, which, in turn, decrease the costs associated with finding, hiring, training and keeping employees.

Joe Fugere, who own 5 locations of the popular Tutta Bella Pizzeria in Seattle, said, "The impact on revenue was to the tune of 1/2% of 1%. If you ask me how I feel a year later, I feel more positive than I did going in."

In Connecticut, only 3% of businesses had increased costs greater than 3% of revenues due to mandating paid sick time. Approximately 67% of business owners had no cost or negligible cost.

Furthermore, paid sick time levels the playing field for small business owners. In Tucson, many people want to work for places like Raytheon, the UofA, Ventana Medical Systems, Sinfonia, and the countless others who have a corporate culture of taking care of employees and who, incidentally, all provide sick days. This means that these companies are able to attract the best of the best, leaving the pool of exceptional workers available much smaller. By providing paid sick days, small businesses would be able to further attract potential employees who wouldn't think twice about working for a company with unimpressive benefits.

Even members of the Tucson Hispanic Chamber agree that providing paid sick time makes sense. On a recent (December 2015) survey of members, one member stated, "I am for a week's sick leave. The reasons given by the Council's proposal make it obvious: a healthy employee makes for a healthy business productivity." Another member stated, "We're a small business and highly believe [in helping] and support[ing] our employees." Yet another member said, "I do support the paid time off or policies that protect employees when they must deal with family issues outside of the workplace; happier employees will result in better quality work and stability." Finally, another said, "This is a public health issue as well as an important benefit to employees. We don't want sick people taking care of our kids and serving our food because they can't afford to take the day off. It's common sense, and the ultimate economic benefits to the whole community will be positive as there will be fewer sick people spreading infection."

Our own Bookman's owner stated that "It would be short-sighted not to [provide paid sick days]." As companies seek innovative workers in the future, they must look at the next generation of potential employees who see work as more than a way to pay their bills. This new crop of employees will look back at the lack of paid sick leave with the same disbelief and disgust as we now look at businesses that segregated their workers by the color of their skin decades ago. In fact, a 2008 University of Chicago survey indicated that 77% of all people believe that paid sick time is a basic workplace standard and right. Today, the more a person makes, the more likely he or she has access to paid sick days. Nationally, 80% of workers who make \$65,000 or more have access to paid sick time, but only 28% of those who make \$20,000 or less do. What does this say about how businesses view their low-income employees? The numbers speak for themselves.

Businesses can't be expected to provide rights and benefits for their employees any more than they did in ending child labor and initiating a 40-hour work week, both of which were met by "business leaders" with strong opposition. Paid sick leave isn't about causing irreparable harm to job creators because the true job creators are the middle class who have the income to go out and buy services and products. Not supporting paid sick leave is only hurting the same people who will turn around and become someone's customer.

Mandating paid sick leave isn't a "gross intrusion into the employer-employee relationship" as some business groups would have people believe. Government is simply practicing their constitutional duty to "promote the general welfare". Paid sick leave is more than an economic benefit for employees, for businesses and for society as a whole; it's a matter of moral certainty, and it's only a matter of when.

## econdev - Earned Sick and Safe Time

**From:** Chris Rod <chris@jefuller.com>

**To:** "econdev@tucsonaz.gov" <econdev@tucsonaz.gov>

**Date:** 1/15/2016 2:13 PM

**Subject:** Earned Sick and Safe Time

## To whom it may concern,

I am writing to express my concerns regarding the new proposal for earned sick time. While I understand the need, I believe that making this a mandatory requirement for all business will end up hurting the business and the people it is intended to help.

Here are some examples.

Many companies have what is referred to as Paid Time Off or PTO. Raytheon for example. This PTO gives the employees the flexibility to use this leave as they wish and not necessarily under the guise of sick time adding flexibility and enjoyment of things they want to use their free time for. Let's use a typically PTO situation of two weeks per year. Under the proposal, companies would allocate 1 week for sick and 1 week for vacation. For the younger employee who stay healthy this proposal kills the flexibility of how they use off hours. Instead of having 80 hours to spend on recreational pursuits, they only get 40. For the working parent, this results in the same problem. Children in the school system get many more federal holidays, vacation days and even short school days. Instead of having 80 hours to use to be at home when their children are there, again now they only have 40 because the others are sick leave.

The next concern would foster an environment of secrecy and dishonesty. Yes by nature employees are all good people, yet they are not give up the flexibility enjoyed above. Here is an example again. The working parent's child has a school function in the middle of the day or towards the end of a shift. The employee is not sick so comes to work but now they have a problem. Do you lie to your employee and say you are sick when you are not or do you miss the function? For the younger employee, this is same thing. Their buddy comes up with tickets to a concert. They want to go but now that they only have 40 hours of time off. They are in a bind. How about the situation when the employee just needs a mental health day? They can't very well call in sick and then go to the movies. How awkward would it be to be sitting at a stop light turning into Park Mall when the boss who is on his way to a meeting pulls up next to them.

Finally, it puts the employer in the position of policing its employees, determining when they are sick when they are not and tracking those hours separately. Companies spend a great deal of time building up morale. If other employees see one employee constantly calling in sick to go do stuff that is not sick time related, they are going to begin to harbor resentment to the employee and begin to question management as to why they are not stopping this behavior. As we have discussed above, people want the flexibility and whether they get it or not they are going to make it happen. So for the sake of work place harmony and inequality, the employer is now forced to put the offending employee on notice for abuse of the sick leave policy which can in turn result in termination. Some owners may have a no tolerance policy and as such it could be grounds for immediate termination. Without such demarcation of sick versus general leave, this problem does not exist. The employee is not endanger of losing their job to do something they want to do and the employer is not in the position of having to decide when an employee is abusing a policy.

The City of Tucson needs to bring in companies that of high integrity. Ones that are filled with salaried positions and provide time off to their employees. To mandate how they structure their employee incentives and allocation of time off is red flag when a company is looking to open positions within the City. This would mean that there are less stable high paying jobs for people in Tucson. In addition, this proposal limits how employees can spend their time away from the office forcing them to seek employment with companies outside the City of Tucson who can offer them a more flexible incentives package.

Thank you, Chris

# Chris Rod, PE

JE Fuller Hydrology and Geomorphology Inc. 40 E. Helen Street Tucson, AZ 85705 (520) 623-3112

www.jefuller.com

Follow Chris on

## Chris Rod, PE

JE Fuller Hydrology and Geomorphology Inc. 40 E. Helen Street Tucson, AZ 85705 (520) 623-3112

www.jefuller.com

Follow Chris on 🛐

## econdev - Earned Sick and Safe Time

**From:** "davem@lsconsultants.com" <davem@lsconsultants.com>

**To:** "econdev@tucsonaz.gov" <econdev@tucsonaz.gov>

**Date:** 1/11/2016 3:09 PM

**Subject:** Earned Sick and Safe Time

It is not the function of City Government to tell businesses what perks they must provide employees. That is something for the market to determine. Better pay and benefits help employers to attract and retain the best employees. If a business chooses not to provide a pay and benefit package at the same level as other similar employers, then the better employees will go to other employers, and the business will suffer accordingly. It is basic economic theory.

Government interfering in decisions that businesses should be making usually leads to the situation being worse that it was. Potential outcomes: Higher prices to consumers, fewer employees, lost jobs, lower wages, closed businesses.

Maybe M&C should be more worried about the city budget. It seems to me that the disaster that is the COT Budget should be first and foremost on your minds, rather than meddling in affairs you have no business meddling in.

David Mewhirter 454 E Historic St. Tucson, AZ 85701

# econdev - Sick Pay?

**From:** D M WEAVER <donald\_wea@q.com>

**To:** <econdev@tucsonaz.gov> **Date:** 1/13/2016 12:43 PM

**Subject:** Sick Pay?

Creating a regulation that requires all businesses to grant time off for sickness seems just another form of "social engineering." The history of "social engineering" in our country isn't one with unyielding successful results. A contemporary example is that of the major cause of our financial crisis. The question is: what happened to the real estate market when a large number of borrowers who competed with one another to drive up housing prices to record levels, stopped making payments on loans, facilitated by government regulations, which they should never received? The answer: The bottom fell out!

Allow businesses to simply "compete" in the free market for employees instead of imposing the "every kid gets a trophy mentality" on everyone and creating another incidence of "social engineering."

Trust the competition of the free market to provide, without government regulations, guarantees for paid sick leave. There's nothing like competition to pave the way for improvements. So let those business operators in the community then decide their fate.

# econdev - Re: Sick Pay?

From: D M WEAVER <donald\_wea@q.com>
To: econdev econdev <econdev@tucsonaz.gov>

**Date:** 1/13/2016 3:40 PM **Subject:** Re: Sick Pay?

Here's some additional food for thought as it relates to "regulations." Bernie Marcus, co-founder of Home Depot, said that one of the reasons for the fragile business environment is the list of burdensome regulations ushered in by Obamacare. The president's legislation has forced companies to halt the hiring process and slash current employees' hours as a result of being forced to give employees health insurance. I guess there are "consequences" and "unintentional consequences," and too often it's anyone's guess.

From: "econdev econdev" <econdev@tucsonaz.gov>

To: "donald wea" <donald\_wea@q.com>

**Sent:** Wednesday, January 13, 2016 1:27:19 PM

**Subject:** Re: Sick Pay?

Dear Mr. Weaver.

Thank you for submitting your email comments on this issue. They will be compiled and presented to Mayor and Council for their consideration.

Sincerely,

Economic Initiatives Team City Manager's Office City of Tucson

## >>> D M WEAVER <donald\_wea@q.com> 1/13/2016 12:43 PM >>>

Creating a regulation that requires all businesses to grant time off for sickness seems just another form of "social engineering." The history of "social engineering" in our country isn't one with unyielding successful results. A contemporary example is that of the major cause of our financial crisis. The question is: what happened to the real estate market when a large number of borrowers who competed with one another to drive up housing prices to record levels, stopped making payments on loans, facilitated by government regulations, which they should never received? The answer: The bottom fell out!

Allow businesses to simply "compete" in the free market for employees instead of imposing the "every kid gets a trophy mentality" on everyone and creating another incidence of "social engineering."

Trust the competition of the free market to provide, without government regulations, guarantees for paid sick leave. There's nothing like competition to pave the way for improvements. So let those business operators in the community then decide their fate.

file:///C:/Users/nross1/AppData/Local/Temp/XPgrpwise/56966FE0CHDOM2CHPO31001... 1/14/2016

From: Duncan Stitt <duncan2300@gmail.com>

**To:** <econdev@tucsonaz.gov> **Date:** 1/13/2016 10:56 PM

**Subject:** Earned Sick and Safe Time

In lieu of requiring sick time, how about requiring all businesses to post signage at the business entrance indicating their sick leave policy? Specifically: "This business does not offer sick leave for employees. Enter at your own risk." or "This business offers sick leave for employees." The business community can't complain about a requirement like this unless they want to appear heartless and cruel.

Duncan Stitt Tucson

# econdev - Mandatory sick time mandated by City for all employees within the Tucson City Limits

From: "Sandi Eghtesadi" < seghtesadi@farmersagent.com>

**To:** <econdev@tucsonaz.gov> **Date:** 1/13/2016 3:11 PM

**Subject:** Mandatory sick time mandated by City for all employees within the Tucson City Limits

I am totally against the City of Tucson mandating what employee benefits I offer employees in my business. I already pay an absorbent amount of taxes on a very small building because of the Rio Nuevo Project which is almost as much as my mortgage payment monthly. Since when do city governments mandate personal businesses benefits, maybe in Sweden this is possible for this is the USA.

I also would suggest that you may want to review the pay scale and benefits for the employees of the City of Tucson, I think they are overpaid and under perform in many instances.

#### Sandi Eghtesadi

Farmers Insurance
4866 E Broadway Blvd
Tucson, AZ 85711-3610
520-881-8000 (Office)
520-326-5598 (Fax)
seghtesadi@farmersagent.com
http://www.farmersagent.com/seghtesadi



This e-mail message and any documents accompanying this transmission may contain confidential information and are intended solely for the addressee (s) named above. If you are not the intended addressee/recipient, any use of, disclosure, copying, distribution, or reliance on the contents of this e-mail information is strictly prohibited. Please reply to the sender advising of the error in transmission and immediately delete/destroy the message and any accompanying documents.

Farmers Group, Inc. and its subsidiaries and affiliates, including Farmers Financial Solutions, LLC, reserve the right to monitor and review the content of all e-mail communications and attachments sent or received by or from this address and to retain them in accordance with the applicable regulatory requirements. Securities are offered through Farmers Financial Solutions, LLC, 30801 Agoura Road, Building 1, Agoura Hills, California 91301. Member FINRA & SIPC.

# econdev - Sick and Safe Days

**From:** jason Freed <mrjasonfreed@yahoo.com>

**To:** "econdev@tucsonaz.gov" <econdev@tucsonaz.gov>

**Date:** 2/1/2016 10:22 AM **Subject:** Sick and Safe Days

#### To Whom it May Concern,

My name is Jason and I am a teacher, a parents, and a Tucson native. I have recently become involved in the movement to provide sick and safe days to Tucson employees. As a teacher, I have the ability to take a sick day when I am not feeling well and I do not lose wages or have to fear for the loss of my job. In today's fast-paced, society where everyone is doing more, we all get sick from time-to-time and all employees deserve the security that sick days provide.

One of the reasons I have become such a strong proponent of this movement is the number of students who are coming to school sick. I ask them why they are at school when they are not feeling well, and they tell me it is because their parents have to work and no one is able to take care of them. Sending a child to school sick drastically increases the likelihood that others at school will in turn get ill, so we need to provide an environment where the child is able to stay home and get better.

I also find students missing school so that they can take care of a loved one. We then have two ore more students missing school, one or more being ill and the other helping them to get better. This is clearly not in the best interest of the kids, but with families in need of the daily wages, these are the choices parents are forced to make.

The argument that these days will bankrupt a business is absurd. These are frequently low paying jobs, so providing even 5 sick and safe days would cost maybe \$500 per employee per year. If a couple thousand dollars is what will cause a business to close, that business was already going to close. Providing these days simply will not bankrupt a business.

An additional concern not related to teaching but to me as a consumer is when an employee comes to work sick. A number of people who do not receive sick time work in the service industry. If someone works at a restaurant and is ill, they are spreading there germs to anyone who enters the given establishment. The public health component cannot be ignored.

It is clearly in the best interest of our community to provide sick and safe days. I hope that you pass the ordinance and mandate these days be provided. Tucson is a progressive city and our council is filled fill progressive minds. Please come up with the appropriate language and move this forward quickly. Thank you.

Jason Freed

## econdev - Earned and Safe Sick Time

**From:** Joan Green <joan.shs@hotmail.com>

**To:** <econdev@tucsonaz.gov>

**Date:** 1/28/2016 4:23 PM

**Subject:** Earned and Safe Sick Time

Since I am not able to attend in person, I would like to express my view on this subject. As a SMALL business owner, having to pay my part time employees this benefit is not a benefit to my business. I am requesting that this proposal be taken off the table.

It would be different if I was a big million/billion dollar corporation. While this is nice thing to provide, it is not appropriate for a small business. I do need to have other people fill in to take care of elderly clients. Thank you for your consideration.

Joan Green

Business Owner.

Sent from my Windows Phone

From: Laura Horton-Charles <a href="mailto:laurahortoncharles@icloud.com">laura Horton-Charles <a href="mailto:laurahortoncharles">laura Horton-Charles <a href="mailto:laurahortoncharles@icloud.com">laura Horto

**Date:** 1/31/2016 10:44 PM **Subject:** Earned sick and safe days

Good evening,

I just wanted to express my opinion about the proposed sick and safety days ordinance as someone who has been born and raised here.

For 27 years I was fortunate enough to work in Tucson stores (A.J. Bayless, Smith's which turned into Fry's) whose contracts provided sick pay for their employees. Over the years I saw a number of friends and acquaintances of mine lose their jobs because they were too sick to work. When I left my last store at Grant and Swan, I left behind many weeks of unused sick pay.

Just knowing it was there in case of emergency was greatly reassuring. In 27 years I used it rarely, the four times I clearly remember was twice for maternity leave, some time off after a store robbery, and again years later for two weeks after an emergency surgery.

I believe Tucson businesses absolutely can restructure for these benefits and it's the right thing to do. Far from being a penalty, it enables our community to be more stable and grow stronger financially.

Less people will be in public spreading illness which will reduce medical expenses. Sick pay received will be spent in the community, enable people to afford to get medication, and guarantee less people will be in unstable situations requiring emergency benefits and social and underfunded city services.

Thank you for your time,

Laura Horton-Charles

#### econdey - "Earned Sick and Safe Time"

**From:** "Barbara Jimenez" <barbjimenez@msn.com>

To: <econdev@tucsonaz.gov>
Date: 1/20/2016 4:20 PM

Subject: "Earned Sick and Safe Time"

To whom it may concern, I would like to submit that mandatory sick leave may sound like a good idea, but would be a killer for small business owners in Tucson. Although large companies can use it as incentives to attract desirable job candidates, small companies can't afford to absorb the additional costs. Profit margins tend to be so tight on some businesses that mandatory sick leave could cripple those businesses. I would ask you to please consider that small businesses don't need one more thing to dissuade growth--they are having a hard enough time staying in business in this tough business climate.

Thank you, Barbara Jimenez 520.241.4343 From: Jude Cook <jude@cooksigns.com>

To: <econdev@tucsonaz.gov>

**Date:** 1/12/2016 5:36 PM

**Subject:** Earned Sick and Safe Time

Attachments: jude.vcf

# To the City of Tucson:

As a small business owner I am completely against this kind of regulation for my business and ever other small business. I currently pay 6 holidays a year for 13 employees offer health insurance which has risen 25% in the last 2 years and offer flexibility for personal time off.

We have a simple IRA for the staff of which I match dollar for dollar up to 3% of their salary's

The concept of paid time off is beyond any thing I can justify. Please come to your senses and drop the proposal.

Jude Cook

Cook and Company Sign makers

134 S. Tucson Blvd

## econdev - Earned sick & safe time meeting

**From:** <sales@kachinasigncenter.com> **To:** <econdev@tucsonaz.gov>

**Date:** 1/29/2016 8:31 AM

**Subject:** Earned sick & safe time meeting

I was so disheartened about last nights meeting about the mandatory paid time off.

It was obvious to me that the citizens of Tucson and the City Council have such disdain for small and large business.

I have heard that Tucson is not very business friendly but experienced this myself last night. I left with a broken heart.

I went home and told my daughter that after graduation, she should move far away from Tucson. 2 of my daughters already have because there are no opportunities here for them.

When my lease is up for my business, I will be moving away from Tucson. Not because of the mandatory paid time off initiative, (I do not disagree with it. Just that it should be implicated at the state level). But because Tucson is truly not willing to back their own businesses.

The fact that all of this was started in secret was also disheartening to me. The council should be working for this city and the companies that bring in sales tax.

I have always been an optimistic person. But after all of this, and the bond issue not passing (the City could have done a better job promoting it) I do not see Tucson moving forward.

We have been the last city to pull out of the recession.

Thank you, Ellie Hundshamer Kachina Sign Center 1775 S. Pantano Rd. #130 Tucson, AZ. 85710 Ph: 520-290-2000

## econdey - Earned sick and safe time

From: "Kathleen Kennedy" < kkennedy404@gmail.com>

To: <econdev@tucsonaz.gov>
Date: 1/29/2016 6:28 AM
Subject: Earned sick and safe time

Cc: "'Molly McGovern'" <mollym@ufcw99.com>, "Tory Anderson" <azretiredameric...

**Attachments:** Earned Sick Leave Submission\_Jan 29 2016.docx

Dear Staff,

Please enter my submission to the public comments for the proposed Earned Sick Leave ordinance. Also attached is the submission in MS Word if that makes it easier for you.

--Thank you, *Kitty Kennedy*Arizona Alliance for Retired Americans – Tucson
520-444-6617

Submission by Kitty Kennedy, representing the Arizona Alliance for Retired Americans.

I am an old retiree who, over many years, worked as an employee, a boss, and a partner in a small business. My experience tells me that there are three reasons to consider the proposed Tucson City ordinance granting earned sick leave hours for all employees.

First, the 'time has come.' The time has come to act on this proposal that will allow workers to earn sick leave hours. The morning newspaper yesterday [January 27] said the time has come to honor Lute Olson. So, what we mean generally when we say the 'time has come,' is that it's time to do the reasonable thing, take the reasonable action.

It's reasonable to pay a living wage, it's reasonable to have a safe work environment, it's reasonable to grant accommodation for those with disabilities –and now it's reasonable to grant earned sick leave hours.

Keeping sick workers away from the job benefits the other employees, protects the customers – and helps the families of the workers. The time has come for workers to stop living in fear that they will lose their jobs if they are sick.

Second reason to support the earned sick leave proposal is the shift of focus on workers. Younger workers are a rising demand as the 'boomers' retiree. Younger workers want family benefits.

The Internet and social media have huge impacts on businesses. Workers and customers promote or denigrate businesses by the service, or lack of service, that they receive. Employees and customers use Facebook and Twitter to tell others about the businesses to patronize or

avoid. Workers generally reflect the treatment they receive from their bosses. Satisfied workers stay with job and prevent frequently turnover.

The final reason for the City of Tucson to consider the proposed earned sick leave benefit is that Tucson needs to consider its reputation. Often Tucson is perceived as a "lowest possible wage" community. What business is attracted by that? We can do better. As jurisdictions (states and cities) across the country consider earned sick leave benefits, Tucson can become a leader in Arizona for a better workplace.

Some Council members in the Tucson City Council believe that the earned sick leave proposal may have merit -- just not now because of other issues, especially budget targets. Consider that those who effectively govern can, and do, accomplish many actions simultaneously.

## econdev - Earned Sick & Safe Time

**From:** Garrett Kowalewski < garrettk@staffmattersinc.com>

**To:** <econdev@tucsonaz.gov>

**Date:** 1/27/2016 1:17 PM **Subject:** Earned Sick & Safe Time

**Attachments:** Mandatory Paid Sick Time - Statement of Opposition.docx

I would like to submit the attached statement for the record for the Earned Sick and Safe Time ordinance that is being considered.

A copy of the attached is also pasted below for your convenience.



To: City of Tucson Government and Stakeholder Committee(s)

## **RE:** Mandatory Employer Paid Sick Leave

My name is Garrett Kowalewski, and I am the founder and CEO of Staff Matters, Tucson owned and operated. I am also the 2014 Past President of the Society for Human Resources Management of Greater Tucson with over 400 members. My company was recognized in 2015 by Inc. 5000 as the fastest growing private firm in all of Southern Arizona over a 3 year period. We are the success story that Tucson needs to see more of and we employ roughly 150 – 175 people at any given time.

I am writing with deep concern over the legislation that is being considered to require mandatory employer-paid sick leave and stifle absentee management practices. I ask you to please **VOTE NO one this legislation if it comes to a vote**. Below I have itemized all of the serious problems this would introduce to all of our employers, our economy and our competitiveness as a place to do business.

I have been in the HR/employment in the recruiting and staffing industry in Tucson for over 16 years, much of it with an emphasis on our high-tech sector. Only 1/3 of our jobs are temporary. The rest of our jobs are regular, full-time jobs with our clients. In about half of those the people we recruit do work for us for 3 – 8 months before they become an employee of our clients (called a contract-to-hire).

My industry helps people get to work faster and help companies fill jobs sooner, generating more income for people and more tax revenue faster for our government, and helping businesses be successful in Tucson.

When the federal government considered the ACA, they took the time to gather input from all stakeholders. I'm shocked that Councilwoman Regina Romero tried to slide this through to a vote without any dialogue! Below I also offer important input from the Staffing Industry as a whole. Data estimates that across the country between 1.5% - 4% of ALL JOBS are with a staffing firm, most of which are fully expected to lead to a "permanent" job. If even 1.5% is true in Tucson, that puts our industry in the same class as Raytheon in terms of employment. We warrant your careful consideration of our concerns.

Among all of my problems, perhaps the most egregious thing this would do is give immunity from discipline or termination to an employee that is 15 minutes late OVER 150 TIMES in a year! Think about that, but let me itemize the problems that this bill will create:

- 1. Worse for Employees Too: Back into the Shadows Employers have evolved away from separate sick and vacation time over the years. Employers primarily offer combined sick and vacation time, called personal time off (PTO) that is universally seen as better by both employees and employers. However, employers cannot legally allow PTO to be taken in less than full-day increments for salaried professionals, so to allow for one hour or less at a time will FORCE employers to create these two separate buckets to treat them both differently. And they'll pull day for day from PTO to give to sick time. This legislation requires that sick time is able to be taken in the smallest increment provided for by a company's payroll practices, which for everyone is 15 minutes or less. There is already a conflict in government regulations that will force employers to un-combine sick and vacation time and take a major step backwards. Instead of offering 15 days of PTO, you would have to say 7 sick days and 8 vacation days. The problem is that rarely does anybody need 7 purely sick days in a year - it's excessive! And at the end of the year when they've only used 1-2 sick days, they're not going to want to forfeit the rest so they will revert to calling in sick just to take advantage of those days employers and employees don't want that!! The recourse that this give employers - to require and pay for doctor's notes - is misguided because to request a note damages relationships and mutual trust. And it may be invoked and good employees may be terminated if they are caught lying. But who can blame them for not wanting to lose PTO? If I wanted them to have 15 days I wanted them to have it. If an employer wants to offer paid time away from the office they don't want to push employees back into the shadows. And sick time will all be unplanned. last-minute time off and will take a serious toll on business operations!
  - a. To make the point more clearly, for those employees that already have access to at least 56 hours of paid time away from work, it offers NO benefit, but does offer some drawbacks to the very employees the bill is trying to help. Throughout this letter you will see how it harms their ability to use PTO instead of sick and vacation time; harm the economy on which they depend for jobs, increase commute times for those companies that decide to move outside of Tucson city limits (and pollution from those longer commutes which harms public health), cause layoffs or furloughs as their company's orders drop when their product is competitively higher price and their customers choose competitors without the increased 3.33% "tax" that this represents, etc.
- 2. Paid time off AND essentially eliminating attendance management goes too far I don't support either (1) government mandated paid time off OR (2) the ban on employers applying attendance and performance management policies, but really this would essentially eliminate

the ability of companies to manage attendance problems for everyone. That goes too far! There will be fear about addressing attendance issues that have a REAL impact on business operations. Businesses will suffer and have their hands tied when there are actual abusers of the system or highly unreliable people. Under the draft ordinance, somebody could literally show up 15 minutes late 160 times with impunity if they just utter the words "sick family member". That is a mind boggling restraint. And I know well over 150 local businesses very well. None of them just fire a good employee over a few instances where an employee had an illness to deal with. They work with them and talk to them. Only when it becomes excessive and dramatically impacts business operations do they make the decision to fire someone.

- 3. Cost of goods sold Why do jobs go to Mexico or China? The gap in labor costs has to be great enough to justify the increased shipping and management costs, etc. When you impose a cost on a business it has the effect of increasing the cost of their product or service. Consumers will see higher prices. Or, more alarmingly, we're giving more incentive to send or keep jobs outside of Tucson, or outside of the USA. Our loyal local companies also regularly compete with other companies outside of Tucson. This would give non-Tucson companies a competitive edge by forcing higher operating costs and costs of goods sold on our Tucson companies! At the very least, for those that don't have paid time off give the option for the employer to reschedule them or let them make up the hours rather than force a payout!
- 4. Absence control and being stuck with deadbeats Like it or not, there are always a percentage of people that are very bad employees. There are those with a horrible work ethic, those that party the night before and show up late or call in sick, and those with substance abuse problems that have bouts of absenteeism. Being late or having absentee issues is the #1 way that these people start to be revealed, yet this legislation would put up a magical shield for them! Employers that do have people that abuse the system will now face the backlash of yet one more wrongful termination lawsuit, even if it is groundless. We're not even allowed to address it despite the great detriment to our operations. Don't say that we can get a doctor's note either because 1) that's ANOTHER cost the government want to have an employer pay and 2) if they really are sick with the flu or a bad cold, making them go to the doctor's is kind of mean. It would give this magical shield to deadbeats who are the most likely to abuse it and try to threaten lawsuits. And employers will be forced to be afraid of even addressing attendance until AFTER the 7 days are used, which means they have to arguably wait for 10, 12 or more days before they can start taking action to even address the problem much less terminate an employee.
  - a. I have seen abuses under the Family and Medical Leave Act where some employees would just regularly walk in 5, 10 or 15 minutes late and just say "FMLA" with immunity. Even our federal government got the message and reformed it to be less prone to abuse allowing employers to force full-days of *unpaid* time off so as to seriously curtail tardiness abuses.
  - b. An employee can be 15 minutes late over 200 times before the limit is reached where I can address their attendance that is absurd and just a total protection for abusers and deadbeats.
  - c. One person with a bad work ethic who puts out their team with chronic tardiness and absentee issues can ruin the culture of an entire small business or a department. It also has the tendency to drag down the bar of performance on others because they see someone getting away with abuses. This legislation would force companies to just suffer those problems, and believe me they have a horrible, profound effect on operations, attitudes, co-worker satisfaction, and culture.

- 5. A big solution with no significant problem Aside from the mountain of regulation already imposed on businesses, this one is not just an inappropriate and hopefully illegal use of government authority, it is a solution without a problem. The majority of all businesses already offer some amount of paid time away from the office. I already outlined how this is extremely disruptive for policies that already work as well or better than this legislation, and how this could be worse for employees. For those businesses that don't offer any paid sick time or paid time off in general, the free enterprise system makes them a less desirable employer. They are already paying a price in their hiring and their turnover. Many of those companies don't just do it because they're mean. They simply run on very low gross profit margins and if they raise prices they lose business. Really a 3.33% tax on labor will push some over the edge. It will kill some jobs. (1 hour for every 30 worked is 1/30 = 3.33%
- 6. A reason not to choose Tucson to open or grow a business I know a few hundred of our employers and our economy intimately well. I have seen over 35 companies decide to move Tucson jobs elsewhere or relocate their companies away from Tucson altogether, and many of them were high-tech. Then there are those companies that we hope to attract. Tucson already loses WAY too many opportunities for companies to choose to stay, relocate or start here. We lose to Phoenix very often, and other cities in the Southwest that do a much better job of attracting and retaining companies than we do. This bill will only exacerbate our problem by making us that much less appealing. To the extent that this is not a national requirement, or a statewide requirement, we're making ourselves stick out like a sore thumb. Please do not let this happen!
- 7. **Poorly written** part-time or intermittent full-time employees are hurting for paid sick time? Really? Why not allow the employers reschedule their shifts, or make up the time? Don't just throw money at them for missing work. Also if someone accrues paid sick leave and has gaps in employment, why should they retain this accrued sick leave? How can I take total attendance into consideration and address serious attendance problems without getting sued? Why the different tiers (employers with <10 employees vs. >10), that dis-incentivizes people to work for small businesses. Can employees let you know they were sick even after they missed the start of their shift (unless they're unconscious/hospitalized)? It just says as soon as practicable. Go live on July 1<sup>st</sup> of this year - radical new legislation with less than a 2 year window to prepare, study, asses and implement shows unbelievably poor judgment. And it requires written notice be given to employees - why not allow it to be on the state labor law posters? If they show up an hour late and say they were sick, can I send them home so as not to get others sick? If they don't want to use 7 hours of sick time but I force them to go home, can I NOT pay for the 7 hours? They cannot use more than 7 days in a year - is that a calendar year or a rolling 12 months? Let's assume you fix the glaring problem of applying this to ALL workers and limit it to just those that work 40 hours a week or more. You will quickly find a lot more part-time jobs in Tucson if the cost is just too high for companies to stay competitive.
- 8. Administrative Burden (in addition to cost) in order to manage attendance and reliability issues I have to track all the time covered by the magical shield of immunity, wait until it's done, and then manage further absences in a different manner. Just tracking sick time for 150+ employees is an administrative burden. Then to manage when I can and can't address issues, when I can request a doctor's note, etc. is just more stifling government regulation.
- 9. **More extreme than California!** California's own version of this law, one of only 2 states that I believe have such a law allows for the accumulation of up to 3 days per year. <u>7 days is</u>

<u>ridiculous</u>. I've never been sick 7 days in a year. Only a fraction of people I have ever worked with might have hit that number. Back to my earlier argument, it's going to be awfully enticing for an employee to not want to lose those days and be sure they use them. It's creating circumstances that foster bad behavior, move people towards more unplanned sick time off (bigger disruption to operations than planned time off) rather than PTO, and unduly burden businesses.

- 10. **Timeframe unreasonably short** Paid sick leave would become mandatory after 90 days. Many of the bad employees can manage themselves for the first 90 180 days during the "honeymoon". Common probation periods for companies are regularly in the 6 month range for that reason. Even if I supported this legislation, which I do NOT, a *one year period* (like the *Family and Medical Leave Act* (FMLA) provides) is far more reasonable. By then an employee has proven themselves beyond doubt. Even the federal government came up with a more reasonable timeline for protections for employees.
- 11. On the heels of the Affordable Care Act (ACA) Employers just got hit with the ACA (which I actually support) last year and this year. This would be throwing something unnecessary and in my opinion inappropriate for government to regulate on all of your businesses now???

# 12. The special interest of the Staffing Industry and Seasonal Employers

- a. **Another "tax" on top of the ACA** We just got done incorporating and passing on the cost of the ACA. This new legislation would amount to a 2.7% 3.3% tax to our service, and that will harm our industry a critical industry in Tucson. Remember, we lubricate the economy and empower people to find work faster, and get off of unemployment, and pay income taxes, and get on employer paid healthcare. Companies compete better because we enable them to staff appropriately quickly. We are a force for good. This legislation will have a deleterious effect on our entire industry. Between this and the ACA we're looking at 6% or more in increased taxes to labor from our industry.
- b. **Legal Issues** say we do have a temporary job for 4 months and then afterwards we have a contract-to-hire (i.e. they work for us but it is fully expected that they'll be a permanent employee for our client) with another client. The 2<sup>nd</sup> client will be the one that bears the cost. The employee has just started from their point of view, but on day one they have the magical shield of immunity and the air of doubt/suspicion that it will raise when invoked. Let's even assume that they have some legitimate and faked sick days. Our clients are evaluating their reliability from a clean slate, so they will feel entitled to judge against their own absence control policies for a new employee. If that leads to a termination decision, that puts us all at risk.
- c. Cost Issues 7 days of paid time off would result in a cost to an average staffing firm of 11.47% of the entire gross profit margin that they take in. That is a MASSIVE amount, not a small amount. It's not "just 7 days". That is far more than actually turns into net profit before tax. Think about that, in all the decades of my industry we've not been able to eek out a profit margin , meaning that we cannot absorb the cost. This will effectively be a new tax and it will have to be passed on to Tucson businesses.
- 13. <u>Unintended Side Effects</u> one of the speakers at the stakeholders meeting on January 21<sup>st</sup> pointed out that most businesses in Tucson lease their space and many of them will simply move outside of Tucson city limits. He also pointed out that this will have the effect of

decreasing property values, harm those that own commercial and industrial real estate, and remove property tax dollars from the coffers of the city.

For all of these reasons, times the thousands of voices of business owners and leaders in Tucson that may not articulate the arguments in this detail, I ask you to VOTE NO on the Earned Sick Time ordinance.

Thank you.

Sincerely,

Garrett Kowalewski, President & CEO

**Staff Matters**–Recognized in 2015 by Inc. 5000 as the *fastest growing firm in Southern Arizona* over 3 years

520-918-0191

GarrettK@StaffMattersInc.com

## econdev - Regarding Paid sick leave policy

**From:** Mark Lewis <zonamlewis@gmail.com>

**To:** <econdev@tucsonaz.gov>

**Date:** 2/1/2016 10:48 AM

**Subject:** Regarding Paid sick leave policy

Like many such concepts, the goal is admirable. The dilemma is that the firms that will be most detrimentally effected are those at the lower volume, lower profit level. These firms are almost always owned by folks at the lower end of the socio-economic scale. Certainly there are a few national, regional and local employers who can easily afford to provide paid sick leave but do not, unfortunately, a law mandating such benefits will have detrimental effects on far more Tucson citizens than benefit from the concept.

Perhaps policies which "lift all boats in the tide" would be preferable to taking from those less well off, to further support other folks who are less well off.

--

Mark Lewis

## econdev - Earned Sick and Safe Time

**From:** Regina Little <rmlittle@gmail.com>

**To:** <econdev@tucsonaz.gov>

**Date:** 1/27/2016 4:11 PM

**Subject:** Earned Sick and Safe Time

## Hello,

I think it is absolutely necessary that we require businesses to offer sick time to their employees. There is nothing more stressful than being sick but feeling like you need to work or otherwise lose needed income.

Regina Little

### econdev - Earned sick and safe time

From: AnaMari Lopez <anamaria32290@yahoo.com>

**To:** econdev < econdev @tucsonaz.gov>

**Date:** 1/28/2016 7:35 AM **Subject:** Earned sick and safe time

Dear City Council Member and Stakeholders,

My name is Ana Maria Lopez, and I am a retired nurse. It is from my decades of experience in healthcare that I offer the following insight into paid sick leave.

During my time as a nurse, I was able to see how access to paid sick leave directly correlates to public health. More often than not, people came to a hospital's ER after letting their illness progress because they couldn't afford to take time off to take care of themselves. In the end, the high costs for their care was subsidized by the rest of us with healthcare.

Studies have shown that ensuring all workers can earn paid sick days can significantly reduce public expenditures. In particular, savings to the public would be generated through:

Savings to public health insurance programs. It is estimated that if all workers had paid sick days, 1.3 MILLION emergency room visits could be prevented each year in the United States, SAVING \$1.1 BILLION annually. More than half of these savings - \$517 million - would go to taxpayer-funded health insurance programs, such as Medicare.

Savings from reduced dependence on public assistance. Nearly 1 in 4 workers report they have lost a job or were threatened with job loss for taking time off due to personal or family illness. Paid sick days provide wage and job security by allowing workers to take the job-protected time to they need when illness strikes. This is critical to a family's economic stability, as job or income loss can turn families to public assistance and programs that cost taxpayer money.

Savings from reduced workplace contagion. Adults without paid sick leave are 1.5 times likely than adults with paid sick leave to report to work with a contagious illness like the flu or a viral infection. An analysis of worker absence patterns during the 2009 H1N1 flu epidemic suggests that outbreaks lasted longer in workplaces that were less likely to have paid sick days. In addition, the Center for Disease Control estimated that during this epidemic, as many as 7 million workers were infected wit the flu due to a lack of access to sick leave. Savings from fewer workplace injuries. According to the National Institute for Occupational Safety and Health, workers who earn paid sick days are 28% less likely than workers without paid sick leave to be injured on the job. This means that business are affected by increased workers compensation claims, increased medical premiums, and even increased potential for lawsuits.

There are countless more statistics and reasons for providing paid sick leave. As any medical professional, and they will all have anecdotes of patients whose health was put in danger because they went sick to work and got themselves hurt or left themselves get sicker and sicker because they were afraid of being fired. It doesn't take a brain surgeon to figure out that providing paid sick leave is good for public health; it doesn't even take a retired nurse.

Ana Maria Lopez Retired nurse

## econdev - Earned Sick and Safe Time

**From:** Michael Smith <email@swbuildingmaintenance.com>

**To:** <econdev@tucsonaz.gov>

**Date:** 1/13/2016 1:45 PM

**Subject:** Earned Sick and Safe Time

I am a business owner in Tucson that has been operating for over 20 years. I absolutely do not agree with mandating time off for employees. The nature of our business does not allow for budgeting this expense. When we price our services, they are based on attendance. If someone does not come to work, we have to have another person do that work. We are not compensated for the replacement person. This attempt to give workers mandatory paid time off does not take into account the unintended consequences. I would consider moving our business outside the city limits if this occurs. Please take into account the business owner also.

Michael Smith
Southwestern Building Maintenance
(520) 790-6200
(520) 790-6700 Fax
msmith@swbuildingmaintenance.com

## econdey - Earned sick and safe time

**From:** Shirley Muney <smuney2k@yahoo.com>

**To:** "econdev@tucsonaz.gov" <econdev@tucsonaz.gov>

**Date:** 1/27/2016 7:02 PM **Subject:** Earned sick and safe time

I don't know if I'll get the chance to speak at the meeting tomorrow evening, but here's my statement:

## STATEMENT ON EARNED PAID SICK DAYS 1/2016

As the Public Policy chair of the Tucson branch of AAUW, I'd like to repeat AAUW's statement that The American Association of University Women is committed to promoting the economic, social and physical well-being of all persons. AAUW works toward greater availability and access to a high standard of benefits and policies that promote work-life balance, *including accrued, paid sick days.* 

As of a few years ago, there were 44 million Americans without paid sick days. This includes about 40% of private-sector employees, and the percentage here in Tucson is closer to 50%, much higher than the national average. This also includes more than 22 million working women without paid sick days, and more than half of working *mothers* report that they must miss work & often go without pay—or risk even losing their jobs—to care for a sick child. We all know that women are the primary caregivers in this country, taking care of elderly family members as well as children, & often neglecting their own health as a result. Low-wage workers are especially hard hit, with 70% of them receiving no paid sick days. (These figures are from the Bureau of Labor Statistics.) These low-wage workers often work sick and contagious in industries that endanger public health, such as food service. The Centers for Disease Control & Prevention urges employers, regardless of the size of their business, to encourage sick workers to stay home without fear of losing their jobs.

I've attended the previous hearings on the proposed ordinance in Tucson, and I've heard a lot of talk from business owners about how they will take their businesses out of the city should such an ordinance pass. I'm wondering if the cost of relocating their business and perhaps losing customers and workers they had in the City would make up for the few days of sick pay it would cost them to retain their present employees & location.

I've also heard a lot of —let's call it whining—about the role of government in dictating how to run a business: in other words, "You're not the boss of me." Sounds like a few 10-year-olds I can think of. Well, this country has already decided that it IS the role of government to regulate business. We have OSHA, the Occupational Safety and Health Act, signed into law by President Nixon in 1970. We have the Fair Labor Standards Act from 1938, the Contract Work Standards Act of 1962, Age Discrimination in Employment Act of 1967, the Minimum Wage, and on and on. The Healthy Families Act and the Fair Labor Standards Act, both of which promote paid sick days, are pending. Nobody likes to be told what they have to do, but in a civilized society we all must make certain concessions to make the wheels run smoothly and provide fairness to all.

And I've heard a lot of talk about how some business owners don't need regulations about their employees because they treat their employees like family—they take care of them. (Gee, that's what some plantation owners used to say about their slaves.) Yet many of these employers say they can't afford to pay a living wage, or to grant paid sick leave to these "family members." Well, study after study shows that paid sick day policies lead to increased productivity from workers and reduced turnover, both of which save money for employers. Not to mention the increase in employee loyalty towards the business—one of those intangible aspects of working with other people that leads to a harmonious workplace. And that leads to more customers.

It's about time that the citizens of Tucson, business owners and employees alike, joined the 21<sup>st</sup> century and abandoned the attitude of "I'm all right, Jack." (In other words, I've got mine and you're on your own to get yours.) If business owners really cared for their employees as they say they do, they'd look at the big picture of employees & their families often living on the edge of security and stability, and what that means to the overall health of the City of Tucson.

Respectfully submitted, Shirley G. Muney 3479 N. Nandina Lane Tucson AZ 85712 smuney2k@yahoo.com

## econdey - Earned Sick and Safe Time

**From:** Matt Nelson <mnelson@lovitt-touche.com>

**To:** "'econdev@tucsonaz.gov'" <econdev@tucsonaz.gov>

**Date:** 1/18/2016 3:31 PM

**Subject:** Earned Sick and Safe Time

## Good afternoon,

I'll be in attendance on the 28<sup>th</sup>, but wanted to share an exhibit that demonstrates the chilling effect this proposed rulemaking has on hiring. Please note that the comments below are not representative of, endorsed by or to be construed as representative of my employer. They are mine - and mine alone.

I consult with dozens of business owners throughout the Southwest, and what Regina Romero has proposed is as ill-conceived a notion as I've yet seen. While the emotional appeal is clear, the consequences of the proposed sick-time legislation are obvious and clearly punitive towards employers - especially employers who already compensate their employees well on average (i.e. the employers we want to KEEP in our city).

The crux of the issue is that Ms. Romero fails to recognize the first, and most obvious ground that employers will run to in response.reduction in current PTO incentives and fringe benefits. The shift is obvious and unstoppable.if one has to produce X amount of added employee compensation, you either take an immediate reduction in current payouts (i.e. eliminate any currently-offered, non-mandated PTO for the masses or based on merit) or annuitize the loss in long term reductions of raises and other non-cash compensation (reduced 401k contributions, draw downs in contributions to benefit plans, etc.).

Why? Economics 101.when cost is increased and the price of a service is not (because a substitute product exists literally *just outside city limits*), anything to reduce cost is the first step - hoping for long-run efficiencies is second. Simply put, the proposal is toxic for businesses who have a Tucson address. Probably great for Marana, Sahuarita, Oro Valley and Vail though.

If an employer does happen to have the capital on-hand to weather the first round of added compliance costs, the next certain step is a catastrophic freeze on entry-level hiring. Why? Again, simple economics. Entry-level full-time employees are the first casualty of most any headwind faced by a business they are far more expensive than alternatives like part-timers or demanding added production out of existing staff, and they have the longest ramp-up/ROI timeline because their work is more complex than casual part-time tasks. In other words, there's a lot of unprofitable training slippage.

Take a company of 60 employees, average wage \$25/hr. - probably somewhat close to what we could consider a "good" local-grown business. Their compliance cost in response to this legislation? \$84,000 (56 hours PTO x \$25 x 60). Now, let's assume that this employer can't just fire employees because they need the capacity.want to guess how many entry-level full-time employees (\$8.50/hr) they forgo hiring to make that up? This employer now skips hiring 5 employees (4.75, to be exact) to cover the increased cost basis. Simple math. Or to put it more regional in scope, their competitor outside of Tucson can now offer either lower pricing or 5 additional employees worth of service.

The bigger the company, or the more highly compensated the average employee, the worse the figures get. It's bad for Tucson, period.

## Sincerely,



### **Matthew Nelson**

Vice President, Sales Executive

## mnelson@lovitt-touche.com

P 520.722.7139

**M** <u>520.403.</u>1015

T 800.426.2756

F <u>520.722.7199</u>

## **LOVITT-TOUCHE.COM**

7202 East Rosewood

Suite 200

Tucson, AZ 85710

Tucson - 800.426.2756

Phoenix - 800.417.2756

## CONFIDENTIAL AND PRIVILEGED

This email (including attachments) is covered by the Electronic Communications Privacy Act, 18 USC Sections 2510-2521. It is confidential and privileged. If you are not the intended recipient, any retention, dissemination, distribution or copying of this communication is strictly prohibited. Please refer to the sender if you have received the message in error and then delete it. Thank you.

Please consider the environment before printing this email.

## econdev - City Council Sick Time Proposal

**From:** george & corinne ortega <geoxcor@yahoo.com> **To:** "econdev@tucsonaz.gov" <econdev@tucsonaz.gov>

**Date:** 1/28/2016 4:02 PM

**Subject:** City Council Sick Time Proposal

## Dear City Council Members,

I operate a child care center that serves over 60 low income families who depend on subsidies for assistance. I am opposed to this new plan because it would cause undo hardship and may result in losing my business. The extra cost would be to \$15-20,000/year. The low DES reimbursement rates keep our revenues low and we barely have enough to cover our payroll and operating expenses. We wish we could afford to pay our 15 employees more money and offer benefits like sick time, but we can't afford too. Trying to find qualified workers to fill in for missing staff who are willing to work at minimum wage, have child care experience, have finger print clearance cards, no criminal record, CPR and First Aide is extremely difficult. This proposal would have a negative impact on our business and we would be forced to close. We need clients who have good paying jobs that can help child care centers grow services, revenues and opportunities. Better margins create opportunities for owners to offer better benefits. In terms of employees and jobs, creating a pro-business environment in Tucson should be the focus of the City Council not penalizing businesses with greater burdens. Thanks,

George

## econdev - Mandatory Sick Leave

**From:** A Perfect Pantry <aperfectpantry@gmail.com>

**To:** <econdev@tucsonaz.gov>, Mayor1 Mayor1 <mayor1.CHPO3.CHDOM2@tucsonaz.gov>

**Date:** 1/29/2016 10:24 AM **Subject:** Mandatory Sick Leave

## Mayor and Council

I am writing to you in reference to the mandatory paid sick leave idea proposed by you.

It is blatantly obvious that there has been no real financial impact study done on <u>Tucson</u> as it relates to this issue.

I am sure you have read some national numbers that you are using to support this position.

What you fail to realize is that we are 6<sup>th</sup> poorest city in the country.

I know that the cities in which this mandatory sick leave has been imposed are some of the most prosperous cities in the country.

I also know that in Seattle where this was imposed, has had an exodus of businesses. They moved to Bellevue.

I have to point out that our city budget is in the red, our roads are a mess, our parks need attention, the grotesque condition of downtown with the bums stealing from all the merchants who are trying to make a living and harassing all of our visitors to downtown would be the area in which you need to focus.

If you do what you are supposed to do, which is manage our tax dollars correctly and create a welcoming city we may well become a wonderful city in which your constituents could actually made a decent living.

I have been in business for several years downtown and I have not been able to pay myself a wage to date. Now you want me pay for someone who cannot work, or does not want to work on a particular day. Who will pay me when I'm sick? Additionally, would I not have to hire someone to fill in for that person? So I pay double for that day.

Have you a clue to what you are trying to impose on SMALL business?

Big business already has compensation plans in place that include paid sick leave.

The employee has the right to refuse a position that does not meet their benefit requirements. That is called free enterprise!

Pay attention to YOUR JOB not mine.

If it were good for my business I would already be doing it.

Finally I must say that the City, which is you, makes it extremely difficult to have a business in Tucson.

Respectfully,

Amy Pike

Amy Pike

A Perfect Pantry

41 South 6th Avenue Tucson, AZ 85701 520 484-2692

## econdev - Planned Parenthood Supports Earned Sick Leave

**From:** Jodi Liggett < jliggett@ppaz.org>

**To:** "'econdev@tucsonaz.gov'" <econdev@tucsonaz.gov>

**Date:** 2/1/2016 12:44 PM

**Subject:** Planned Parenthood Supports Earned Sick Leave

## To the Mayor and City Council of Tucson:

As advocates for women, an employer, and as a health care provider, Planned Parenthood Arizona supports earned sick time for the workers of Tucson.

Much has been made about the potential impact of this ordinance on employers. As a nonprofit business enterprise, we are sensitive to costs. However, as business professionals we trust the numbers: The US Bureau of Labor Statistics, reports the average worker uses less than 4 sick days a year; 25% use none at all. Our community can afford this. We believe savings in productivity will more than offset costs. It's just the right thing to do.

As a leading provider of women's health services in Arizona, Planned Parenthood employs hundreds of workers and serves thousands of patients annually, including a substantial number at our clinics right here in Tucson. Health professionals universally agree that workers who are ill or infectious, particularly those in contact with patients, must stay home as a matter of public health and safety. Planned Parenthood encourages our workers to take advantage of paid days to protect their health and that of our patients and the public. It's simply a matter of best practice.

For a century now, Planned Parenthood has advocated for women's ability to determine their futures and plan their careers, families, and lives without government interference. Far too many Tucson workers have no access to paid sick time and these workers tend to be women; women working at lower wages. At the same time, women in Arizona and elsewhere are most often the primary caregivers for children and other family members. We believe these women should not have to choose between a day's pay and their health (or their family's health). Therefore, Planned Parenthood enthusiastically supports the proposed ordinance which would provide sick days for workers to use themselves or to care for a family member.

For all these reasons we support the proposed policy and commend the Mayor and Council for focusing attention on this vital public health and economic justice issue.

Thank you!

Jodi R. Liggett

Jodi R. Liggett
Vice President of Public Affairs
Planned Parenthood Advocates of Arizona

Jodi R. Liggett J.D.
Vice President of Public Affairs
Planned Parenthood Arizona
4751 N. 15th Street
Phoenix, AZ 85014
602-481-0403 cell
iliggett@ppaz.org

Stand with Planned Parenthood and join us for our annual events: Flagstaff, April 7, Phoenix April 8, Tucson, April 15. Tickets can be purchased at <a href="http://advocatesaz.org/upcoming-events/">http://advocatesaz.org/upcoming-events/</a>

For more information or to make a donation, visit online at <a href="mailto:ppaz.org">ppaz.org</a>. Care. No Matter What.

This e-mail is for the sole use of the intended recipients and contains information belonging to Planned Parenthood Arizona, which is confidential and/or legally privileged. If you are not the intended recipient, you are hereby notified that any disclosure, copying, distribution or taking of any action in reliance on the contents of this e-mail information is strictly prohibited. If you have received this e-mail in error, please immediately notify the sender by reply e-mail and destroy all copies of the original message.

## econdev - SICK LEAVE MANDATE FOR LOCAL BUSINESSES

**From:** Richard Couture <tucsonducks@gmail.com>

**To:** <econdev@tucsonaz.gov>

**Date:** 1/13/2016 8:17 PM

**Subject:** SICK LEAVE MANDATE FOR LOCAL BUSINESSES

IF you pass a law, it should be the same number of days as city employees get per year. If you pass fewer days, that means a city employee is worth more than non-city employees. Do you really want to tell voters they are NOT as worthy as city employees?

Of course, you could cut city employees and watch Police and Fire go on strike.

Richard Couture Voter/Taxpayer

## econdey - Earned Sick and Safe Time

**From:** Tommy Roof <tlroof@weoneil.com>

To: <econdev@tucsonaz.gov>
Date: 1/17/2016 11:19 AM
Subject: Earned Sick and Safe Time

In reading the proposal under consideration by Mayor and Council regarding paid time off for sick leave, I am struck by the fact that there is a cost to businesses in the City of Tucson that has the potential of-

- increasing costs to consumers due to the increased cost of labor in this proposal which will be passed on to consumers (a 3.3% increase in labor costs to cover the proposal)
- the potential for employers to reduce staff to eliminate the impact of this added cost
- the potential for businesses to relocate outside the city limits to avoid the additional cost
- sending a message to businesses contemplating relocation to Tucson that we are not business friendly. At a time when we are struggling to emerge from the nagging recession, this is the last thing we need to do. We need ideas that will bring jobs to our community, not scare them away.

An additional concern is the cost of implementation and monitoring of this new regulation. When we can't currently balance our city budget and face a huge deficit, how do we pay for this.

I urge you to drop this proposed regulation from consideration. Thank you.

Tommy Roof, LEED AP, Vice President



W.E. O'Neil Construction Company, Inc. 2601 N. Fairview Avenue Tucson, AZ 85705

P.<u>520.792.0734</u> F.<u>520.792.0958</u> C.520.975.3151

E. tlroof@weoneil.com

weoneil.com | LinkedIn | Facebook | Twitter

CHICAGO | DENVER | LOS ANGELES | NASHVILLE | PHOENIX | TUCSON

## econdev - Earned Sick and Safe Time

**From:** Sharon Bart <sharon@runningshopaz.com>

**To:** <econdev@tucsonaz.gov> **Date:** 2/2/2016 10:59 AM

**Subject:** Earned Sick and Safe Time

My name is Sharon Bart and I own The Running Shop and am President of the Campbell Avenue Business Partnership. I have been in business for over 34 years. I wanted to share my perspective of the proposal Regina Romero introduced for earned paid time off for all employees.

The last few years of business have been really difficult. More competition both locally and online has made conducting business quite challenging. If this proposal passes, the additional costs and bookkeeping will only add to those challenges. There is no way for me to offset the additional costs. Our store is often treated as a showroom for online shoppers as it is and we sell product at suggested retail. We cannot even try to sell above suggested retail. The only way to offset additional costs would be to reduce employee hours and we already operate with a skeleton crew. We offer incentives to our staff in other ways and I assure you that my employees are very satisfied in the way they are treated.

As President of the Campbell Avenue Business Partnership, I have received word from many expressing concerns. Not one business has agreed with this proposal. Here are just a few of the responses I've received from other business owners:

"I believe this is a bad idea that will encourage businesses to locate outside of Tucson city limits. There are many state and federal labor laws, restrictions and requirements. We do not need another layer of labor laws for the city of Tucson. Our company has very generous policies and compensation packages we don't need further costly regulations and oversight from the city of Tucson." (from the President of a Realty company.)

"We are a very small business and we take good care of our employees but I do not believe it is the business of our local government to be involved in any way with how we run our businesses. As Jim said, there are already plenty of labor laws in place. In this economy, we are all doing the best we can to keep our doors open and pay and benefit our employees the best we can." (from the owner of a jewelry store)

"I agree Sharon and all the business owners who oppose this insanity. We have 17 part time employees (mostly college kids) and 4 full time employees who we give vacation time to (the 4 full time employees.) We certainly cannot afford to pay out sick time benefits for everyone. (they will surely use it as a vacation plan) This plan is a killer for Mom, and Pop business like ours. Why don't they spend their time coming up with plans to really help our city. We do not know what we will do if this thing passes. We cannot simply raise our prices and we cannot afford to pay it out of our small profit. I bet this lady does not own a business." (from the owner of a local restaurant)

The most common sentiment expressed verbally to me has been that business owners want to see City of Tucson representatives focus on making Tucson a more business friendly city and encourage more businesses to establish in Tucson. If we can attract more businesses, it will only benefit employees with more jobs. If this proposal passes, it will be just another obstacle in attracting those businesses.

Thank you,

Sharon Bart The Running Shop (520) 325-5097

## econdev - Earned Sick and Safe Tim

From: Shawn Cote <Shawn@sahba.org>

**To:** "econdev@tucsonaz.gov" <econdev@tucsonaz.gov>

Date: 1/28/2016 12:22 PM Subject: Earned Sick and Safe Tim

Cc: "Mayor1.CHPO3.CHDOM2@tucsonaz.gov"

<Mayor1.CHPO3.CHDOM2@tucsonaz.gov>, S...

**Attachments:** SAHBA Comments Proposed Mandatory Sick Leave.pdf

Attached, please find comments for your consideration for this evening's meeting regarding the proposed mandatory sick leave policy. Please let me know if you have any questions.

Thank you for your consideration.

## **Shawn Cote**

Government Affairs Associate

## **Southern Arizona Home Builders Association**

2840 N. Country Club Rd. | Tucson, AZ 85716 520.795.5114 | 520.326.8665 fax

shawn@sahba.org

The information contained in this email transmission is privileged and confidential information intended only for the review and use of the individual or entity named above. If the reader of this message is not the intended recipient, you are hereby notified that any unauthorized dissemination, distribution, use or copying of this communication is strictly prohibited. If you have received this communication in error, please immediately notify us by telephone. Thank you.

<sup>&</sup>quot;A nation of homeowners is unconquerable."-- Franklin Delano Roosevelt

## econdev - Earned Sick and Safe Time

From: Shay Salomon < shaysalomonleonard@gmail.com>

**To:** <econdev@tucsonaz.gov> **Date:** 1/13/2016 8:42 AM

Subject: Earned Sick and Safe Time

I have been an employer. Paying for five sick days per employee per year isn't too much of a burden for a well-run business.

Unemployment (Percent,	not seasonally adjusted)	3.90%	4.30%	4.80%	4.50%	4.60%	5.50%
Percent of Population Below   Unemployment (Percent,	the Poverty Line	10.90%	8.70%	11.10%	11.30%	14.60%	18.90%
Cost of Living- Monthly	(single person)	\$3,632	\$3,510	\$2,757	\$2,677	\$3,627	\$2,158
Median Value of Owner-	Occupied Housing Units	\$657,300	\$386,900	\$243,100	\$334,700	\$396,700	\$158,400
Median Household	Income	\$83,222	\$91,193	\$68,532	\$71,273	\$67,066	\$45,856
Cost of Living Index	100=average	197	154	120	131	146	86
Total GMP for 2014 (in	billions)	\$417.80	\$501.70	\$87.70	\$293.80	\$1,500.40	\$37.30
	Population	4,594,060	6,033,737	1,214,295	3,671,478	20,092,883	1,004,516
Metropolitan Statistical	Area	San Francisco MSA	Washington MSA	Hartford CT MSA	Seattle MSA	New York MSA	Tucson MSA

Population (2014 estimates): http://factfinder.census.gov/faces/tableservices/isf/pages/productview.xhtml?src=bkmk

Median Household Income, Median Value of Owner-Occupied Housing Units, and Percent of Population Below the Poverty Line: <a href="http://censusreporter.org/profiles/">http://censusreporter.org/profiles/</a>

Gross Metropolitan Product of U.S. Metro Areas (2015): http://usmayors.org/metroeconomies/2014/06/report.pdf

Cost of Living (Monthly and Annual for a single person): http://www.epi.org/resources/budget/

Cost of living Index: http://www.bestplaces.net/find/



# THIS IS WHY THE TUCSON METRO CHAMBER DOES WHAT IT DOES

# **GROSS METRO PRODUCT**

MSA RANK (1)	CITY	GMP (2)	GMP RANK
48	Salt Lake City, UT	\$81,200,000,000	2
49	Birmingham, AL \$62,800,000	\$62,800,000,000	က
20	Buffalo-Cheektowaga-Niagara Falls, NY	\$48,900,000,000	9
51	Rochester, NY	\$48,200,000,000	7
52	Grand Rapids-Wyoming, MI	\$39,000,000,000	<b>&amp;</b>
53	TUCSON, AZ	\$35,500,000,000	6
54	Honolulu, HI	\$59,800,000,000	4
55	Tulsa, OK	\$50,500,000,000	5
26	Fresno, CA	\$34,000,000,000	10
57	Bridgeport-Stamford-Norwalk, CT	\$92,200,000,000	<b>-</b>
28	Worcester, MA-CT	\$32,600,000,000	Ξ
	AVERAGE	\$45,800,000,000	

1-THE MSA RANK BY POPULATION AS OF JULY 1, 2014, AS ESTIMATED BY THE U.S. OFFICE OF MANAGEMENT AND BUDGET 2-GROSS METRO PRODUCT STATISTICS: 2013 U.S. BUREAU OF ECONOMIC ANALYSIS

## Tucson lags in job opportunities, study finds



JANUARY 04, 2016 1:15 PM • BY HOWARD FISCHER CAPITOL MEDIA SERVICES

PHOENIX — High unemployment, low salaries and a lack of diversity in employment make Tucson the worst major Arizona community in which to get a job, a new report says.

The findings by WalletHub mirror many of the same conclusions that economists have reached. But it puts them all into a single equation and measures the factors against 150

communities across the nation.

And Tucson came out at No. 110.

By contrast, Scottsdale was ranked No. 16, followed by Chandler at 20 and Gilbert at 28.

The report, in essence, is designed to help new those searching for work to find the best places to find a job.

It starts with the fact that the unemployment rate in Tucson continues to run higher than in Maricopa County communities. That rate is determined by the number of people who say they are actively seeking work versus the number actually employed.

It also doesn't help that the financial advice website says data from the U.S. Census Bureau put Tucson's "industry variety" at No. 126, compared to 69 for Phoenix-area cities. That's not surprising, given the Tucson area's dependence on the University of Arizona and defense-related jobs.

And even assuming someone does find a job, conditions are better elsewhere.

WalletHub finds that the Tucson's median annual income of \$38,298 is below other Arizona cities measured, even when considering the cost of living — and below most other cities measured nationally.

At the other extreme, WalletHub puts Gilbert in first place nationwide at \$84,704. That even beat out Scottsdale, where \$75,317 managed to gain third place nationally.

Those living in Gilbert need all that money, with WalletHub ranking that community as having the second-least-affordable housing in the nation.

Looking at it another way, the report finds more than 13.7 percent of those employed were living below the federal poverty line. In that category, Tucson ranked No. 100; Gilbert was at the other end among Arizona cities at No. 4.

There are some categories, however, in which WalletHub found Tucson a better place to

seek a job.

For example, it has more local job opportunities — those in the same community — than places like Gilbert, Glendale and Peoria. That's taking the number of unemployed residents and dividing it into the number of job openings.

## Where are the jobs?

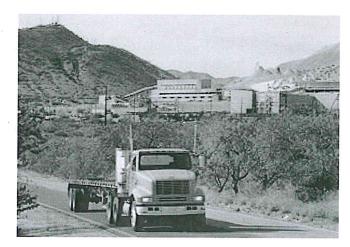
Rankings of Arizona communities, among 150 nationwide, on job opportunities:

- 16 -- Scottsdale
- 20 -- Chandler
- 28 -- Gilbert
- 47 -- Phoenix
- 50 -- Mesa
- 60 -- Peoria
- 66 -- Tempe
- 83 -- Glendale
- 110 -- Tucson

Source: WalletHub

ELLER FORECAST

## Outlook: Slow going for Tucson economy



DECEMBER 11, 2015 7:45 PM • BY DAVID WICHNER

Tucson's economy is expected to grow this year but remain sluggish for the next couple of years, according to the latest economic forecast from the University of Arizona.

The number of non-farm jobs here is expected to grow just 0.3 percent this year, compared with an actual increase of only 0.5 percent in 2014, according to the Economic and Business Research Center at the UA's Eller College of Management.

And population growth in the Tucson metro area, which includes all of Pima County, is expected to flatten to just 0.2 percent, after a 1.1 percent increase in 2014, according to an economic outlook luncheon hosted Friday by the UA center at the Westin La Paloma Resort and Spa.

"Growth has been slow — slower than after other recessions," **George Hammond**, director of the Eller research center, told several hundred attendees at Friday's luncheon.

Beyond this year things will improve — again — slowly, Hammond said.

The UA research center predicts a 1 percent increase in jobs in 2016 and a 1.6 increase in 2017, while population is expected to grow 0.5 percent next year and 0.9 percent in 2017.

Hammond cited the "fiscal drag" of reduced federal spending, due to budget sequestration in 2013 and a continuing lag, and cuts to state and local spending last year.

Tucson is more than twice as dependent on government outlays than the nation as a whole. In 2013, federal civilian and military activity accounted for 7.8 percent of Tucson's gross domestic product, compared with a national share of 3.6 percent.

And state and local government spending was 14.5 percent of Tucson's GDP in 2013, compared with 9 percent nationally.

One bright spot is Arizona's merchandise exports, which rose more than 10 percent from 2014 to 2015, after a 7.3 percent increase the prior year. Exports to Mexico — Arizona's biggest foreign trading partner — rose 28 percent in the past two years.

But despite an improving Mexican economy, a strong U.S. dollar may crimp future exports since it makes goods more expensive elsewhere, and it could push down Mexican tourist spending, Hammond said.

"That's really starting to weigh on our recovery," Hammond said.

Despite those headwinds, Hammond said Tucson is positioned to grow, albeit slowly.

Arizona remains a popular place to move and retire, so when "residential mobility" — the ability of people to move — improves, Tucson stands to gain.

Personal income is forecast to grow faster then inflation in the next few years, including a 3.6 percent increase this year and a 3.9 percent bump in 2016.

Even so, Hammond said key concerns remain about educational attainment of Tucson's population, which lags the state and nation, and infrastructure needed to efficiently move goods and people.

Hammond said most of the local job gains during the next two years are expected in service sectors, especially in professional and business services, leisure and hospitality, education and health services, and trade, transportation, and utilities.

Job losses are expected in government, manufacturing, and natural resources and mining, he said.

Another featured speaker at the UA outlook luncheon, JPMorgan Chase chief economist **Anthony Chan**, said he had good news and bad news about the national economy, but he was mostly reassuring.

Nationally, indicators point to "slow, stable growth" next year, he said.

"For the U.S., I think 2016 won't be a bad year," Chan said.

Chan said investors shouldn't panic over the Federal Reserve's plans to raise interest rates, noting that it will be done gradually.

The stock market may undergo further corrections — typically viewed as a drop of 10 percent or more — but Chan noted that in investors have historically recouped there losses within months.

"Corrections are a way of life and we should understand them," Chan said.

## More details

To view the UA presentation, see ebr.eller.arizona.edu

# CareerBuilder's Annual Study Reveals This Year's Most Absurd Excuses for Calling in Sick

1/14/2016

- 38 percent of employees have called in to work sick when feeling well in the past year, up from 28 percent in 2014
  - One third of employers have caught an employee lying about being sick by checking social media

CHICAGO - October 15, 2015 - Whether it's to finish binge-watching their latest Netflix obsession, take care of personal errands or simply needing a day off, many workers aren't above taking a sick day despite having a clean bill of health. According to a new CareerBuilder survey, 38 percent of employees have called in to work sick when they're feeling well in the past year, up from 28 percent last year. But some employees take their excuses to the next level: From claiming their grandmother poisoned them, to saying they have to spend the day dumpster diving, employers named the most absurd excuses employees have given for calling in sick. Of the employees who have called in sick when feeling well in the past year, 27 percent said they had a doctor's appointment, the same proportion said they just didn't feel like going, 26 percent said they needed to relax, 21 percent said they needed to catch up on sleep and 12 percent blamed bad weather.

The national survey was conducted online by Harris Poll on behalf of CareerBuilder from August 12 to September 2, 2015, and included a representative sample of 3,321 full-time workers and 2,326 hiring managers and human resource professionals across industries and company sizes.

# The Cost of a Sick Day

still feel obligated to make up an excuse for taking a day off (compared to 23 percent last year), and many of them are relatively new to the workforce. Of these employees who have a PTO program, 32 percent of those ages18-34 say they still feel obligated to make up an excuse, compared to 20 percent of Of the 52 percent of employees who have a Paid Time Off (PTO) program that allows them to use their time off however they choose, 27 percent say they those 55 and older. On the other hand, some feel they can't afford to use a sick day, even when they're ill. More than half of employees (54 percent) say they have gone into work when sick because they felt the work wouldn't get done otherwise. Further, nearly half (48 percent) say they can't afford to miss a day of pay, up from 38 percent last year, and this varies greatly by age:

- Age 18-24: 71 percent
- Age 25-34: 63 percent
  - Age 35-44: 44 percent
    - Age 45-54: 40 percent
      - Age 55+: 32 percent

# Sorry, I Can't Make it in...

When asked to share the most memorable excuses for workplace absences they've heard, employers reported the following real-life examples:

- Employee claimed his grandmother poisoned him with ham.
  - Employee was stuck under the bed.
- Employee broke his arm reaching to grab a falling sandwich.
- Employee said the universe was telling him to take a day off
- Employee's wife found out he was cheating. He had to spend the day retrieving his belongings from the dumpster.
  - Employee poked herself in the eye while combing her hair.
    - Employee said his wife put all his underwear in the washer.
- Employee said the meal he cooked for a department potluck didn't turn out well. Employee was going to the beach because the doctor said she needed more vitamin D.
  - Employee said her cat was stuck inside the dashboard of her car,

# Bluffing To Fight the Winter Blues

The most popular months for employees to call in sick continue to be December (20 percent), January (15 percent) and February (14 percent), on par with last year's survey results. And while less than 1 in 10 employees (9 percent) say they have ever faked being sick during the holidays, those that do most often say it's to spend time with family and friends (68 percent), while others wanted to holiday shop (21 percent) or decorate for the season (9 percent).

## Faking? Busted

While most employers claim to trust their employees, one in three employers (33 percent) have checked to see if an employee was telling the truth after calling in sick this year, compared to 31 percent last year. Of these employers, asking to see a doctor's note was the most popular way to find out of the absence was based in truth (67 percent), followed by calling the employee (49 percent) and checking the employee's social media posts (32 percent).

More than 1 in 5 employers (22 percent) has fired an employee for calling in sick with a fake excuse, an increase from last year (18 percent).

To keep an eye on questionable behavior, employers are going online. Thirty-three percent of all employers have caught an employee lying about being sick by checking their social media accounts, and of those, 26 percent have fired the employee.

## Survey Methodology

These surveys were conducted online within the U.S. by Harris Poll on behalf of CareerBuilder among 2,326 hiring and human resource managers ages 18 and over (employed full-time, not self-employed, non-government) between August 12 and September 2, 2015. Percentages for some questions are based on a subset, based on their responses to certain questions. With pure probability samples of 2,326 and 3,321, one could say with a 95 percent probability that the overall results have sampling errors of +/- 1.95 and +/- 1.70 percentage points, respectively. Sampling error for data from sub-samples is higher and varies.

## About CareerBuilder®

recruitment process from acquire to hire. CareerBuilder works with top employers across industries, providing job distribution, sourcing, workflow, CRM, data and analytics in one pre-hire platform. It also operates leading job sites around the world. Owned by TEGNA Inc. (NYSE:TGNA), Tribune Media (NYSE:TRCO) and The McClatchy Company (NYSE:MNI), CareerBuilder and its subsidiaries operate in the United States, Europe, South America, Canada and Asia. For As the global leader in human capital solutions, CareerBuilder specializes in cutting-edge HR software as a service to help companies with every step of the more information, visit www.careerbuilder.com.

## Media Contact

http://www.twitter.com/CareerBuilderPR ladan.nikravan@careerbuilder.com 312.698.0538 x70538 Ladan Nikravan

# CareerBuilder Media Contact

For all media inquiries and interview requests, contact:

## Jennifer Grasz

(P) 773-527-1164 (E) jennifer.grasz@careerbuilder.com

ShareThis

Need Help? HELP CENTER

JOB SEEKERS

Find Jobs

Search Resumes **EMPLOYERS** 

Security & Fraud LEGAL

CAREERBUILDER About Us

SOCIAL



3/4

## econdey - Earned Sick and Safe Time

**From:** paul tuzinowski <ptuzinowski@yahoo.com>

**To:** "econdev@tucsonaz.gov" <econdev@tucsonaz.gov>

**Date:** 1/27/2016 11:41 AM

**Subject:** Earned Sick and Safe Time

## Dear Tucson City Council,

In my years as a human resources professional, I watched as many employees would come to work while they were ill because they couldn't afford to miss time from work, whether it be the financial impact of lost hours or the negative impact to their attendance record, due to the fact that paid sick leave is not a benefit offered by many employers.

Providing paid sick leave to all employees will help relieve such burdens, and will help to ensure that communicable illnesses are not spread around workplaces/communities, where said illnesses can lead to even more illness, more lost work time and decreased productivity overall.

I fully support paid sick leave for all employees. It's the right thing to do.

Paul Tuzinowski, Tucson Former HR Manager

## econdev - Earned Sick and Safe Time

From: Christine Weeding <a href="mailto:cweeding@copperstate.com">cweeding@copperstate.com</a> To: "'econdev@tucsonaz.gov'" <econdev@tucsonaz.gov>

Date: 1/13/2016 7:31 AM

**Subject:** Earned Sick and Safe Time

## To whom this may concern,

In one sentence, the Earned Sick and Safe Time proposal is Bad for Business! The added business expense would be a burden to company owners of small to medium size business. Scheduling of worker time off would be disruptive to customer service and damaging to customer relationships. Our company provides paid time off accrued to use for vacation, sick time, personal already with the opportunity to make up hours lost to sick time. Earned Sick and Safe Time is an intrusion and a senseless layer of regulatory compliance.

## Regards,

## Christine Weeding, PHR

Human Resources Manager Copper State Bolt & Nut Co. 3622 N. 34<sup>th</sup> Ave Phoenix, AZ 85017 602-477-7431 direct 602-653-0998 cell 602-477-7531 fax

cweeding@copperstate.com

## econdev - Earned Sick & Safe Time

**From:** Linda Welter < lwelter@calibergroup.com>

**To:** <econdev@tucsonaz.gov>

**Date:** 1/28/2016 1:10 PM **Subject:** Earned Sick & Safe Time

I am a small business owner, as well as a commercial building owner, with both entities located within the City of Tucson. I am strongly opposed to the mandatary Earned Sick & Safe Time proposal currently being considered by the Tucson City Council.

I have owned my business in Tucson for nearly two decades. During this time I have witnessed several economic swings, which have made it more difficult to do business in Tucson (and Arizona). I've also witnessed decisions made by the City of Tucson's political leadership and staff during the past two decades that have both helped - and hurt - the conditions necessary to successfully operate a business, make a profit and employ workers in Tucson. These decisions have resulted in both direct and indirect impacts to my business — and to my client's businesses.

My company already offers accrued paid time off benefits to full-time employees who qualify for these benefits, much like other local businesses and marketing companies offer throughout the United States. We routinely monitor what others in our industry offer, as well as local employers, so that we can stay competitive and employer the best talent possible. Few of our competitors must comply with mandatary Earned Sick & Safe Time government regulations.

Given the constant downward pressures on our industry profit margins, we need the flexibility to offer our benefits in a manner that works for our business. Thus, we do not support a government-imposed benefits mandate that could render our business less competitive to others in our space, which often are located in Phoenix and other cities throughout the U.S. (and world).

Instead, I encourage the City of Tucson to focus its valuable time and resources on creative incentives to improve business relocation and expansion in Tucson that will result in more job creation, an improved local economy and more income to the City of Tucson.

## Linda Welter

Chief Executive Officer

### **The Caliber Group**

Marketing | Public Relations | Interactive | Social Media

520.795.4500 | 1.855.343.1668

calibergroup.com | caliberpulse.com | Twitter | Linkedin

The Caliber Group, Inc. is a brand marketing, public relations, social media and interactive firm specializing in building and maintaining successful brands, relationships and reputations.

This email, its contents and its attachments are copyrighted, and are proprietary products of The Caliber Group, Inc. Any unauthorized use, reproduction or transfer of this message or its contents, in any medium, is strictly prohibited.